

Creating a Fairer Society and a More Sustainable Future

UN Global Compact Communication on Engagement Report

Reporting period June 2013 – May 2016



WE SUPPORT

Contents

Statement of continued support for UN Global Compact.....3

Who are Business in the Community?4

Business in the Community’s Impact on the UN Global Compact Principles5

Human Rights.....8

Labour 12

Environment20

Anti-Corruption25

Call to Action26

Statement of continued support for UN Global Compact

Business in the Community reaffirms its support of the United Nations Global Compact and its Ten Principles in the areas of human rights, labour, environment and anti –corruption. This is our communication on engagement with the United Nations Global Compact. We welcome feedback on its contents.

The three years since the global financial crisis have seen a return to business growth and increased confidence. It has also been a time of great change. With megatrends impacting business and disruptive technology increasingly challenging traditional business models, global businesses are increasingly recognising that current business success is not a guarantee for a long term, sustainable future.

During this time we've also seen the rise of disruptive business models, growing public scrutiny and increasing expectations of business on areas ranging from taxation to supply chain transparency. Additionally cases of corruption and high profile scandals have had devastating consequences on corporate reputation.

At the same time businesses are increasingly integrating responsible business practice into their business models and working together to tackle some of the most pressing global issues such as responsible sourcing, reducing environmental impact and embracing the circular economy to reduce waste.

Business in the Community has a long standing reputation for inspiring and challenging business to be more responsible, providing them with knowledge and insight to support them in creating positive change and facilitating collaboration, which enables them to take practical action across the breadth of the responsible business agenda.

Our work is aligned with the UN Global Compact Principles on human rights, labour, environment and anti-corruption. Through this report we highlight the activities which have further progressed the principles and encouraged or enabled business to engage with them.

We continue to support the principles of the UN Global Compact and through this statement renew our commitment to the initiative and its principles.

Stephen Howard

Chief Executive Business in the Community

Who are Business in the Community?

Business in the Community is his Royal Highness The Prince of Wales' Responsible Business Network. We are a business-led, issue-focused charity with more than 30 years' experience of mobilising business around the responsible business agenda. We engage thousands of businesses through our programmes driven by our core membership of over 800 businesses that work together locally, nationally and internationally. We focus on:

- how a business makes its money, not just about how it spends its profit;
- how business manages growth responsibly while reducing dependency on natural resources-
- how business operates as an employer, supplier, customer and good neighbour to help to create vibrant communities where people can flourish.

We inspire, convene, support and challenge business on this agenda and collaboration is at the core of our approach. We offer a number of practical ways for businesses to work together and take action to help tackle a wide range of issues that are essential to building a fairer society and a more sustainable future.

"BITC is an influential force for change not only within the business community but also across society as a whole. It delivers real insights on sustainability issues affecting our business. It is able to articulate and shape business responses in this area better than any other organisation."

Alex Gourlay, Chief Executive, Health & Beauty Division, Walgreens Alliance Boots

"BITC is one of the forces taking consciousness of corporate responsibility into the mainstream"

Mark Goyder, Founder, Tomorrow's Company

"Being part of the BITC network has truly provided us with some great business development opportunities founded on sound values."

Andrew Diplock, MD, UES Energy

"Business in the Community provides guidance and inspiration across the corporate responsibility agenda, giving us the opportunity to shape the future of CR. We genuinely appreciate its invaluable support."

Aidan Connolly, CEO Sodexo UK & Ireland

Business in the Community's Impact on the UN Global Compact Principles

Business in the Community's areas of work complement the UN Global Compact and its Ten Principles. Through Business in the Community's engagement with a wide range of businesses it is able to further impact employees, customers and supplier communities, and to further promote the principles of the UN Global Compact. Business in the Community works to promote and support the further reach of its work and messaging, inspiring more companies to implement to the UN Global Compact Principles in their businesses. In some areas Business in the Community works directly with the UN Global Compact in this endeavour, which has included running joint webinars and conferences.

Business in the Community also provides a wide range of services, practical guidance and creative solutions that help its members and engage new businesses in responsible business. These include:

- The [Prince's Seeing is Believing Programme](#), Leadership Teams and networking;
- Benchmarking services, management frameworks and responsible business indices;
- Practical guidance, research and training;
- Local, national and global community partnerships and volunteering opportunities;
- A programme of events for peer learning
- Awards across a range responsible business agendas to identify, recognise, share and promote best practice

To further the movement of responsible business, Business in the Community members are requested to demonstrate a genuine commitment to active engagement, to involve employees from across the business, to put a joint action plan in place, regular meetings to review progress and to advocate the responsible business movement.

Responsible Business Awards

Business in the Community has run a [Responsible Business Awards](#) programme for over 15 years. The Award categories reflect the key priorities within responsible business and have evolved over time. In 2015 there were 11 Awards categories covering a wide variety of issues including environmental leadership, wellbeing at work, championing an aging work force, disaster relief and global development, and the Awards recognise both large and small businesses. To take one of the Awards as an example, the [Global Development Award](#) formerly called the International Award has been running for 15 years and recognises businesses whose programmes are impacting one or more of the United Nations Millennium Development Goals.

This year the Global Development Award has included entries from every continent and countries including, Ethiopia, Haiti, India, The Philippines, Madagascar, Sierra Leone, South Africa, Uganda to mention a few.

"These are hugely important awards in raising awareness about the extraordinary amount of work business does every day".

HRH The Prince of Wales

The Responsible Business Awards identify, recognise and celebrate companies leading on the agenda and are designed to inspire other businesses on their responsible business journey. They receive significant social media coverage, spreading the message of responsible business and during 2014 the Responsible Business Awards reached the top 5 UK twitter trends and were also featured in a supplement in the Financial Times.

BUSINESS IN THE COMMUNITY

Responsible Business Week

Responsible Business Week is the awareness week for responsible business, run by Business in the Community. It is a high profile opportunity for businesses and organisations of all sorts to demonstrate the many ways that they can work together to turn ambition into positive action for a fairer society and a more sustainable future.

From large global corporations to SMEs, Responsible Business Week sees a range of activities running by businesses across the country. Activities include companies hosting local responsible business conferences, launching CSR reports, volunteering in local communities, opening up premises for open days, staff training on CSR, talking about health and wellbeing at work and companies talking about responsible business and what it means to them.

During Responsible Business Week in 2016 Business in the Community ran a series of events at the London School of Economics including [The Great Business Debate: Moving the dial on trust](#) which took a fresh look at trust in business, why declining trust matters to society and explored practical and authentic action that business can take to move the dial on trust in a meaningful way and covering many of the issues encapsulated by the UN Global Compact Principles.

Benchmarking

Business in the Community offers a variety of benchmarking tools which help companies measure and report on responsible business in an integrated and systematic way. The Corporate Responsibility Index (CR Index) for instance challenges companies to devise and deliver business strategies that have responsibility at their heart. This is achieved by conducting a gap analysis, benchmarking against industry peers, and recognising and communicating achievement. This helps businesses to improve their practices as well as inspiring others to improve their approach to responsible business.

In addition to getting an in-depth understanding of companies' operations and processes, the CR Index enables Business in the Community to analyse and share key trends, innovation, transferable practices and identifies emerging issues. These are reported in the [CR Index Insights Report](#) allowing companies access to this insight enabling them to develop solutions for their own business operations.

The Human Rights agenda is an intrinsic part of the CR Index, and of the push for the development of integrated systematic business strategies. There are three sections which question the businesses approach to human rights:

- Policies, addressing what kind of policies the business has and how these are governed;
- Addressing how businesses operate in countries of weak governance, such as requesting for information on how a company ensures globally consistent governance even when the local legislation may have lower legal requirements and how the company might work with the local government to help raise local minimum standards;
- And requesting information on how a company addresses international development issues, such as developing programme targeted towards international development, measuring impact on international development and KPI data.

Additional types of Benchmarking Business in the Community offers include:

“ The CommunityMark is a fresh and sensible approach to providing a deep clean on the management and delivery of corporate community investment. It provided a framework for Linklaters to consolidate and validate why it was doing what we were doing. ”

Matt Sparkes, Global Head of Corporate Responsibility, Linklaters LLP

BUSINESS IN THE COMMUNITY

Responsible Business Check Up – a framework to support small and medium enterprises assess how to approach responsible business

CommunityMark – the UK's only national standard that publically recognises excellence in community investment.

Diversity and Wellbeing Benchmark Survey – the UK's most comprehensive gender and race benchmark, which includes age diversity and employee wellbeing

For more information on Business in the Community's Benchmarking services please see:
<http://www.bitc.org.uk/services/benchmarking>

Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year 2014/15:

- 320 Business Leaders attended Seeing is Believing visits
- 322 Senior leaders have been engaged on Leadership Teams
- 72 Companies report on the CR index
- 170 **Business Connectors**¹ from 43 seconding organisations have been placed into 93 communities leveraging £22.5 million since the scheme began
- Over 290,000 hours of employee volunteering were given across community programmes around the world
- Over 28,000 volunteers were involved in Business in the Community programmes around the world addressing a range of issues including education, employment and enterprise benefitting over 500 organisations and 83,000 individuals
- 1,000 SMEs in the UK supported by Business in the Community programmes
- 464 schools in the UK partnered with business through **Business Class**² since the programme began supported by 1,000 businesses, impacting on 140,000 young people across the UK.

Training

Business in the Community offers a range of opportunities to support individual development on CSR and Sustainability from workshops and seminars to formal training. The formal training has been developed for practitioners who are looking to deepen their knowledge of Corporate Responsibility (CR) and develop essential competencies. The training programme is designed to allow professionals to learn from one another as well as from our trainers. There is at least one guest speaker for every course, offering a unique perspective into CR from a real life business perspective.

Courses include an Institute of Leadership and Management-accredited CR Management programme, which consists of 6 day-long training sessions starting with the basics of CR and developing through to specialised topics.

¹ Business Connectors are talented individuals seconded from business, trained by Business in the Community and placed in communities of greatest need to build partnerships that tackle local issues.

² Business Class creates effective and mutually beneficial school-businesses partnerships.

BUSINESS IN THE COMMUNITY

Outside of the programme, Business in the Community also runs a standalone *Introduction to CR & Sustainability* course which is targeted for those who want to learn the fundamental basics of CR, usually for those who have a CR remit.

Since 1 July 2014 Business in the Community has run 372 accredited training places for individuals from 66 companies.

For further details please see: <http://www.bitc.org.uk/services/training-bitc>

In addition, to further support the training and development of individuals, Business in the Community also run a range of events including webinars, seminars, workshops, Chatham House Roundtables, mentoring circles, peer learning forums, focus and working groups, across the Responsible Business agenda including Human Rights, Diversity, Environment, Community Investment and Education.

For further details of workshops and seminars etc please see the particular section of the BITC website for the area you are interested in: <http://www.bitc.org.uk/services/training-bitc>

For further details please see: <http://www.bitc.org.uk/services/training-bitc>

“My Line Manager and I have been able to attend the CR Foundations programme together. It’s a great idea, as it allows you to work through real-life work examples and take back useful solutions and toolkits to the workplace.”

Lauretta Lamont, CR Advisor, Britvic

“Our CR programme is now more structured, our staff are increasingly engaged with our CR goals, and we are starting to get more external recognition for the great work we are doing.”

Lucy Symonds, Corporate Responsibility Manager, Phoenix Group on her experience of the CR Management Programme

“For three years our colleagues attended Business in the Community’s cross-organisational mentoring programme, both as mentors and mentees. Colleagues found this so beneficial in helping them progress in the business that we developed a mentoring programme of our own and are in the process of rolling this out across the company.”

Angie Risley, Group HR Director, Sainsbury’s

Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.

The acquisition of people by improper means such as force, fraud or deception, with the aim of exploiting them, is the world's fastest-growing crime. According to the International Labour Organisation, human trafficking is the third-largest illicit moneymaking venture in the world, after drug dealing and the arms trade.

BUSINESS IN THE COMMUNITY

Over 21 million people worldwide are estimated to be trafficked into slavery for prostitution, domestic servitude, agriculture and in the workplace each year.

Business in the Community engages business in conversations around human rights looking at what the business case is, the challenge that global supply chains can present with human rights and how to implement the latest Human Rights legislation.

Building on a series of seminars, workshops and 'Chatham House' Roundtable discussions on the [Human Rights](#) agenda over the years, during 2015-2016 Business in the Community has conducted a further series of Human Rights Roundtable discussions. These explored new legislation on human rights that will impact business. This has included discussions on the Ruggie Principles, the [Modern Slavery Act](#) and the European Union's Non-Financial Reporting legislation requirements. Senior policy makers from the UK government or European Union have presented on and talked about the policies and what they expect from business. These events were held under the 'Chatham House Rule'³ and enabled business to ask policy makers directly about issues and concerns they have regarding human rights.

In addition Business in the Community has also conducted a series of discussions looking at some of the issues most pertinent to business such as how to manage human rights with indirect sourcing partners and how to approach human rights after a merger or acquisition. These events support business to develop best practice for human rights management.

Business in the Community has collaborated with CSR Europe to support Europe-wide research on best practice for Business in Human Rights entitled [Blueprint for Embedding Human Rights in Key Company Functions](#). The report looks at three key functions, Human Resources, Procurement and Risk, and reviews the impact that they can have on human rights throughout the organisations providing case studies to inspire change.

'Business in the Community's Round Table series on Human Rights has provided incredible debate and rich learning for Grant Thornton UK LLP. The breadth of BITC leaders, Government and corporates' insight has enabled Grant Thornton to develop robust internal frameworks on some incredibly important issues, more recently the UK's Modern Slavery Act. BITC has expertly facilitated a broad range of experts who have shared well-crafted 'real life' case studies spotlighting their approaches to human rights, modern slavery and procurement/supply chain development and learning.'

Jayne Brownridge, Assistant Manager, Internal Sustainability, Grant Thornton UK LLP

For further details please see: <http://www.bitc.org.uk/international/business-and-human-rights>

Tourism and Human Rights

The Business in the Community's [International Tourism Partnership](#) (ITP), works with global hotel groups to further collaboration across key issues for a fairer society and a more sustainable future.

The 'Human Trafficking Working Group' brought member hotel groups together to accelerate learning, share best practice and develop resources to help ITP members, and the wider industry, tackle human trafficking risk. It has developed a Human Trafficking Position Statement, a Know How Guide and Guidelines for Checking Recruitment Agencies. In addition, ITP maintains strong connections with government, investors, academia and specialist non-profit organisations to ensure it keeps learning and awareness high, as well as continuing to drive the agenda on this key issue.

³ When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.

BUSINESS IN THE COMMUNITY

Hotels are judged at high risk for human trafficking so member companies are rolling out staff training at property level, as well as posters identifying key actions and contact numbers helping employees to 'see something, say something.'

Labour rights issues, decent hours, contracts and pay, are global human rights issues. Where the law is insufficient to protect workers' rights, the United Nations Guiding Principles put the onus on the business to protect them. ITP is actively engaging with specialist international organisations, industry bodies and trade unions to accelerate learning on key labour standards issues, through facilitating discussion forums and educational sessions. Working with stakeholders and members, ITP delivers practical, business-focused solutions and resources. ITP's Steering Group on labour standards created a space for members to discuss common challenges and solutions, and to help shape the work going forward.

With high numbers of low-skilled roles often outsourced to agencies, hotels are at risk of hosting staff without access to fair pay, contracts or hours, without representation or opportunities to develop. In 2014 ITP held a stakeholder engagement event allowing member companies to meet with labour rights stakeholders and representatives to hear concerns and find shared actions to improve human rights within the industry.

These two action groups have now combined within ITP with a shared remit on human rights; addressing issues of human trafficking and labour rights in parallel. For further information on ITP's work please see <http://tourismpartnership.org/issues-we-address/>

ITP is also an official supporter of the Happy Child International Foundation for Rio 2016 which is running a global campaign *It's a Penalty* at the Rio Olympic and Paralympic games. This campaign is to help protect children from exploitation. The campaign aims to raise awareness of the risk of child exploitation and abuse at global sporting events, and is harnessing the power of sport. *It's A Penalty* is producing resources such as posters and a campaign film featuring Olympians including Usain Bolt, which will be shown on 10 international airlines around the games and will have huge profile on the ground in Brazil around the stadiums and at the airports, raising awareness amongst those travelling to Rio, and worldwide, of the issues of child exploitation.

Commercial exploitation and abuse of children is a major global issue. It is often difficult to prosecute individuals who take part in these criminal activities. ITP is partnering with *It's a Penalty* to show member companies' commitment to the issue and highlight the actions hotel staff can take to help prevent it.

Youth unemployment and survivors of human trafficking

The **Youth Career Initiative** (YCI) another initiative from Business in the Community through the ITP programme is a 24-week employability programme that provides disadvantaged young people in 19 countries around the world with life and work skills including Brazil, Costa Rica, Ethiopia, Mexico, India and Thailand amongst others. Working with local non-profits who identify suitable candidates, and hotel properties which provide the training and experience opportunities, YCI supports young people of limited socio-economic means through classroom-based learning, mentoring and skills experience in up to 15 different hotel departments, equipping them with transferable skills for employment within the sector or in a

"Collaboration with other hotel companies through the ITP Human Trafficking Working Group has accelerated learning and action on this key issue and helped the hotel industry work together to develop resources and responses. I would urge other sectors to work collectively to see how they can collaborate with their stakeholders to further activity to address the key issues of modern slavery and human trafficking and applaud the work of BITC in this area."

George Turner, Executive Vice President, General Counsel and Company Secretary, InterContinental Hotels Group

BUSINESS IN THE COMMUNITY

range of other industries. YCI has an 85% success rate of graduates going into employment or further education.

This programme began re-integrating survivors of human trafficking in 2011, with the support of an initial grant from the US Department of State. Since then, YCI has been offered to survivors of human trafficking in India, Ethiopia, Kenya, Mexico and Vietnam.

The six-month programme greatly improves employment prospects for these young people, and enables them to become economically self-sufficient so they are no longer vulnerable to exploitation. This work is achieved with the support and resources of YCI's dedicated hotel and non-profit partners which include SOS Children's Villages, World Vision and REACH Vietnam HAART Kenya, HAGAR International and ten hotel companies such as Marriott, Hyatt, IHG and Starwood.

"YCI is a huge value both for us as an industry as well as the individuals we are bringing to the YCI programme. It is an economically sound approach which does not require a huge investment to provide a great education. "

Ed Fuller – President and MD Marriott Lodging International

We worked with the UK's Home Office to develop the guidance document [Transparency in Supply Chains etc.: A practical Guide](#). This document includes what the reporting requirements are for business and how business should implement the Modern Slavery Act in order to prevent the continuation of the practice globally.

International Disaster Management Cycle and the UN Global Compact Principles

The frequency and intensity of disasters, both natural and man-made has been increasing over the years, with 10.7 million more people worldwide affected by disasters caused by natural hazards compared to 2013 according to Global Humanitarian Assistance Report. These disasters impact or have the potential to impact each of the UN Global Compact Principles from human rights, labour rights, the environment and anti-corruption.

In the last three years Business in the Community has been working to inspire, engage, support and challenge business on this agenda. Supported by the UK Department for International Development our focus is on energising, engaging and mobilising business support for tackling international disasters from preparedness through to relief, recovery and mitigation. As such over the last 3 years Business in the Community has provide insight and research on the agenda including '[International Disaster Relief: Business Unique Contribution](#).'

Business in the Community also ran the UN World Humanitarian Business Consultation in the UK as well as a number of events and provided insight over the last 3 years on various aspects of international disaster relief and humanitarian aid agenda. This has included insight, mobilising business and events to raise awareness and understanding of the role of the private sector to support those impacted by the [refugee crisis](#) and the recent international disasters like [Typhoon Haiyan](#), [Vanuatu](#), and [Nepal](#).

In addition Business in the Community has also been working with business and humanitarian aid agencies and NGOs to gain their insight and to develop a 'Matching Tool.' Based on business core competencies, skills products and resources, the 'Matching Tool' aims to match business resources with humanitarian needs. The first iteration was shared with business and NGOs in April 2016 and the second iteration is currently being developed.

See more at: <http://www.bitc.org.uk/international/international-disaster-relief#sthash.5gCxm2bE.dpuf>

BUSINESS IN THE COMMUNITY

Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following:

- Over the last 3 years aside from webinars, 167 people have attended our Human Rights Round Table events representing 128 companies.
- Since its creation in 1995 the Youth Career Initiative (YCI) has an 85% success rate of graduates going into employment or further education.
- 3,000 young people have graduated from the YCI programme since its creation, of which 63 are survivors of Human Trafficking.
- In 2016 the YCI won Tourism for Tomorrow's People award in recognition for their exceptional skills training programme enabling individual's with limited socio-economic opportunities to enter the Travel and Tourism sector.

Labour

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.

Business in the Community has been working with its member organisations to tackle some of the biggest discrimination challenges that employees face within the workforce conducting research, advocating for best practice and compiling case studies.

Employment is one of the most significant ways that business can contribute to the livelihoods of individuals and communities, and is for many the only sustainable route out of poverty. Many responsible businesses recognise this and are taking steps to increase access to work, building a more diverse and productive workforce in the process, but there is more that can be done to join up and improve this activity to benefit more people.

Whilst employment rates have risen in recent years, some of the drivers of long-term exclusion and unemployment are on the rise too, meaning that there remain groups who, despite the labour market upturn, may struggle to find work without support.

Employers have a responsibility to offer vital first chances to young people trying to enter the world of work, and second chances for people who find themselves excluded after a period of long-term unemployment or other challenges. Simply getting a job however is no longer enough with 30% of working age people in low-income households remain in poverty despite entering employment⁴. The challenge for businesses today is how to not only inspire and hire future employees, but also provide quality jobs that enable those employees to grow.

⁴ Poverty and Employment Transitions in the UK and EU: 2007-2012 Release, ONS, March 2015. Accessed 21 April 2015.

Youth Employment

In addition to initiatives Business in the Community runs internationally, Business in the Community in the UK works direct with unemployed young people as well as advocating for business to enable greater access for youth to employment.

Young people who are not able to access experiences of the world of work are placed at a disadvantage when it comes to applying for jobs because too many businesses still recruit for their entry level roles based on experience and qualifications on paper, instead of the particular behaviours and attitudes that demonstrate a young person's true potential to excel in a role.

Business in the Community and City & Guilds research found that 57% of young people thought that not having the right previous experience was a barrier to accessing employment and 28% said they did not have the qualifications that employers ask for. At the same time, 61% of employers who have used Business in the Community's Generation Talent self-assessment tool revealed that they still ask for previous experience for entry level jobs, even though by definition these roles should not require any. This creates an 'experience trap' as young people who are not able to access either the qualifications or experiences required are prevented from applying for roles, regardless of their potential. Employers are therefore missing out on being able to harness raw talent.

Business in the Community has developed the Youth Employment Framework to help break down the barriers to business recruitment processes and address the 'experience gap', by identifying ways that business can engage with and attract a wide range of candidates from diverse backgrounds through fair and accessible routes. This set of simple actions supports employers to future proof their business and to build a strong talent pipeline.

Read more about Youth Employment work: <https://futureproof.bitc.org.uk/>

Gender Equality

Business in the Community is committed to helping organisations ensure that their workplaces better reflect the diversity of the society in which we live. This year Business in the Community was able to make significant progress in building on the foundations of its earlier work on this agenda.

There are more women on company boards than ever before, but women still only make up 26% of FTSE 100 boards and the percentage of female executive directors in the FTSE 100 sits at just 8.6%. Such inequality is not reserved at the top level of business; the UK's gender pay gap stands at 19.2%, which is largely driven by the high number of women in lower-paid industries and the fact that 'feminised' roles are consistently undervalued. This this inequality means that although women make up 50% of the UK talent pool, on average for every £1 a man earns, a woman earns 81p.

In 2014 Business in the Community conducted the [largest ever UK study of women at work](#) with 25,000 respondents and debunked the myth that women need to change, finding that women are ambitious, confident and feel supported by their partners in their career aspirations. Despite this, women feel much less encouraged and supported by their employers in respect of career development and workplace cultures. Sadly, it also found a prevalence of bullying and harassment of women in work, another indicator that workplace cultures are not working for women. This survey has been very effective in trying to help employers understand where the structural barriers are and how they can start to break down them down.

2015 also saw progress in Business in the Community's work as a key partner of the Government Equalities Office during its consultation on gender pay-gap reporting, which will become mandatory in 2016.

To help close the gender gap Business in the Community has produced a series of toolkits to support businesses with their gender pay gap reporting and understanding the results.

Read more about the Gender Campaign:
<http://gender.bitc.org.uk/all-resources/research-articles>

"I just wanted to follow up with you on the workshop that you kindly ran for us. It was really thought-provoking and we have had some great feedback so far. One of our Group Rental Managers even passed some thanks on via one of our VPs, which was great to hear, of how useful the day had been and a massive eye opener for them on certain topics. It was really interesting to see the themes that people could relate to as well as the areas that they could see for improvement within their business units. So I just really wanted to thank you for the time and effort that was put in on your end by both of you."

*Amanda Houssein, UK Implementation Manager,
Enterprise Rent-a-Car*

Mental Health

Mental health is one of the biggest public health challenges facing society. It is one of the leading causes of sickness absence in the workplace and can cause immense suffering to those experiencing it, as well as those closest to them. There is an overwhelming business and moral case for employers to address this challenge.

Business in the Community has been working with business as well as the mental health charity Mind to provide a range of tools and resources to support business to be more aware of mental health issues impacting their employees, and to be more aware in how they can support employees. These include:

- *The Workwell Model* providing a strategic framework for embedding wellbeing into organisational culture. Together, the segments of the model cover the actions employers need to take to create an environment where employees can make informed, healthy choices – for the benefit of people, business and society.
- *The Business in the Community Public Reporting Guidelines: Employee Wellness and Engagement* includes key metrics for measuring the effectiveness of wellness and engagement strategies.
- The report *Leading on Mental Wellbeing* published in 2016 highlights the evidence for empowering line managers to make a greater positive impact on employee wellbeing. It contains insight from industry experts, advice on how organisations can take action and features the voices of line managers themselves as well as case studies of effective support programmes.
- In 2016 a *Mental Health Toolkit for Employers*, was published by Business in the Community and Public Health England. This is an interactive toolkit that provides employers of all sizes with the steps and information they need to take positive actions to build a culture that champions good mental health and provide a greater understanding for how to help those who need more support.

Did you know?

- *Mental health is one of the leading causes of sickness absence in the UK*
 - *It is estimated to cost UK employers £25bn each year*
 - *More managers are experiencing stress-related ill-health and symptoms of psychological ill-health*
 - *Three in five managers are concerned about the impact of longer working hours on their stress levels*
 - *Over half of managers are concerned about the impact of longer working hours on their psychological health*
 - *63% of parents who are managers are worried about the impact their working hours have on relationships with their children*
 - *The average manager works an extra 46 days each year*
-

“At Anglian Water we understand the positive benefits for both the employee and the business of creating a culture where we can openly discuss and manage mental wellbeing. For some time we have been raising awareness with our employees, providing resources and tools to demonstrate this culture and stimulate conversations, and have started to take the approach outside the company. The Mental Health Toolkit for Employers gives us the perfect opportunity to start a conversation with our supply chain and to further expand our approach to mental wellbeing in the workplace.”

Peter Simpson, Chief Executive of Anglian Water Group, Wellbeing at Work Leadership Team Chair

Age

With an ageing population, business needs to take action now to prevent early exit from the workforce, support later life working and make the most of intergenerational workplaces.

Currently, 10 million people in the UK are over 65 years old and this number is projected to nearly double, to around 19 million, by 2050. It is predicted that the first person who will live to 150 has already been born. Between 2012 and 2022, it is estimated that 12.5 million jobs will be opened up through people leaving the workforce and an additional 2 million new jobs will be created, yet only 7 million new young people will enter the workforce to fill these jobs. Business in the Community's recently developed Age Campaign focuses on

BUSINESS IN THE COMMUNITY

age helping businesses to meet the challenges of an intergenerational workforce and reap both the commercial and social rewards.

Business in the Community's research on this agenda found a million people between 50 and state pension age who have been forced out of work in the UK. The Age Campaign seeks to tackle barriers such as health and caring responsibilities to prevent early exit, and deal with the challenges and unconscious bias in the recruitment processes that make it hard for the over 50s to secure employment. In 2016 a new partnership was launched with the Centre for Ageing Better to identify and test what works to recruit, retrain and retain older workers.

For more information see Missing Millions Video: <https://youtu.be/gLxWCuUJBC8>

"The over-50s bring a wealth of experience and knowledge to the workplace but they are often over-looked when it comes to career opportunities. With an ageing population and people increasingly working longer, UK businesses cannot afford to ignore the strengths of these older workers. There are a million over-50 year olds who are out of work and looking for a job, and UK businesses need to take an active role in putting this right. That's why I'm supporting the call to retain, retrain and recruit people who have decades of valuable experience to share. As Chair of Business in the Community's Age at Work team I want to support older workers and help tackle some of the broader issues facing our ageing society."

Andy Briggs, CEO, Aviva UK Life

Race

In the UK today, ethnic minorities are under-represented at every level of work. 13% of the population is from an ethnic minority background, but only 1 in 16 top management positions are held by an ethnic minority person. British people with a BAME background are more likely to enjoy their work and have far greater ambition than their white colleagues, but are less likely to be rated as top performers compared to their white counterparts⁵.

To find out more about these contributing factors in 2015 Business in the Community carried out the UK's largest report on race in the workplace, with 24,457 people sharing their views in the *Race at Work Project*. This is a joint project with YouGov and the University of Manchester's Centre on the Dynamics of Ethnicity.

In addition, the Business in the Community's *Race at the Top* report, published in June 2014, produced the most comprehensive picture of Black, Asian and Minority Ethnic (BAME) representation in leadership in today's UK businesses. The report found that there has been virtually no ethnicity change among top management positions in the five years between 2007 and 2012.

⁵ *Gender and Race Benchmark 2014: Performance and Appraisal*, Business in the Community, 2014

"Our membership of BITC and the outcomes gained are well recognised and highly valued in Fujitsu UK&I as part of our overall business strategy. Through the well-grounded work that BITC have done on Race Equality, the Cultural Diversity Network (CDN) in UK&I has gained a measured perspective as to how we can work towards addressing our challenges with a focus on BME retention and recruitment. Our Diversity Advisor (DA) has supported the CDN's activity in a number of areas including a recent retention Pulse Survey and our regional Cook-Off competition celebrating our diverse heritage, driving a growth in membership and new role models to participate as part of our retention and recruitment programs. The guidance from our DA has been extremely valuable as it has been responsive, insightful, non-judgemental and overall encouraging."

Sheema Segal, Chair Cultural Diversity Network (CDN), Fujitsu

Business in the Community's has supported the change in the government positioning in this area with the words 'and race' being added to the board diversity section of the UK Corporate Governance Code. This Code sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. The focus is now on underpinning the Code's recommendations with practical tools and guidance to allow employers to effect real change.

Organisations with greater racial diversity on senior teams experience 35% greater financial returns⁶ and with the changing profile of the UK workforce, one in four of the future workforce will be from an ethnic minority background, employers have a great opportunity to harness the huge ambition of ethnic minority employees, and reap the rewards.

For more information on *Race at Work* see: <http://race.bitc.org.uk/all-resources/research-articles/race-work-report>

"At EDF Energy we are passionate about diversity and inclusion and we believe that creating a culture that values the talents, skills and abilities of all our employees benefits them, the business and our customers. This is why we are delighted to be a supporter of the Race for Opportunity Awards Gala Dinner 2014. The evening highlights the importance of strong leadership and pools together our collective knowledge of what works to improve equal access and progression. I hope that all attendees learn from the best practice shared here tonight and use it to create more inclusive workplaces that will contribute to a strong and fairer economic future for us all."

Janet Hogben, Chief People Officer, EDF Energy

⁶ *Diversity Matters*, McKinsey & Company, February 2015

Employment of Excluded Groups

Many people face complex barriers that prevent them from gaining and sustaining work, and can leave them in poverty and disadvantage. Experiences such as homelessness, unspent convictions or time spent in care can exclude people from employment and can have a direct impact on skills, confidence and health.

These problems are growing: rough sleeping has risen by 102% between 2010 and 2015⁷; the proven re-offending rate for juvenile offenders has risen from 36% in 2013-14 to 38% in 2014-15, although the overall numbers of offenders has fallen⁸ and 20% of children in persistent poverty live in a household where parents low qualifications⁹.

Business in the Community works with businesses taking action to address these challenges by offering access to a route to a better life, through employment:

- Removing barriers in the recruitment process levels the playing field. Research suggests that three-quarters of employers discriminate against applicants who have a criminal conviction. Business in the Community's work on 'Ban the Box' advocates that employers should remove the criminal record tick box from job application forms, this allows the candidate's skills and abilities to shine through.

"The Ban the Box campaign is an excellent initiative that highlights the major role businesses can play in helping ex-offenders back into work away from homelessness and from adding to re-offending rates. We are banging the drum about it because it's a step that any business in the UK could easily take."

Philip Richards, Partner, Freshfields Bruckhaus Deringer

- Delivering programmes to enable people from their local communities to overcome challenges and enter work gives access to work for people who wouldn't otherwise get there without support. 150 businesses in 20 locations support Ready for Work participants through training, work placements and their progress into employment. In return, businesses benefit from cost-effective recruitment opportunities, stronger links with the local community and personal and professional development for employee volunteers.

See a video from a Ready for Work Client - <https://www.youtube.com/watch?v=cwFbGNZak7U>

- Business in the Community's inquiry into low paid employment called *Beyond Pay: An Inquiry into Improving Low-Income Employment* launched in November 2015 calls on business leaders to develop a strategic approach to improving low-income employment. It identifies immediate and long-term goals that respond to the increases in poverty, low productivity rates and growing skills shortages that the UK sees today.

The report identifies practical steps that businesses can take to improve employment for people on low incomes and aims to inform and inspire action by employers. The report identifies six key areas for business action to improve low-income employment, going beyond pay alone. It includes case studies and practical examples of businesses taking action across these six areas.

⁷ Rough sleeping in England: autumn 2015 Department for Communities and Local Government, 2016

⁸ Proven reoffending statistics quarterly bulletin, July 2013 to June 2014 Ministry of Justice

⁹ Social Mobility and Child Poverty Commission, Social Mobility and Child Poverty in Great Britain, 2015

BUSINESS IN THE COMMUNITY

For employers clear benefits can be seen; access to wider talent pool, first and foremost, but also increased productivity and performance as a result of a more socioeconomically diverse workforce.

School Partnerships

Responsible businesses have a vital role to play in building a diverse, effective and skilled workforce, and helping to create economically viable, cohesive communities. Crucial to address this are partnerships with schools through programmes such as Business in the Community's Business Class, enabling young people the opportunity to engage with local employers.

These opportunities are not uniformly provided and often those young people most in need of employer engagement opportunities remain the furthest from them. Employers need to look at how they support young people whilst they are in education to access opportunities that develop skills beyond qualifications. Less able, richer young people are 35% more likely to become high earners than brighter poorer peers¹⁰.

Business in the Community's research *Destiny should not be determined by Demography* highlights the role that employers have to play and concludes that pupils participating in Business Class are 13% more likely to have alignment between their academic activities and their career aspirations¹¹. This area of work supports the long-term reduction in discrimination in respect of employment and occupation.

See the video of Business in the Community's National Education Symposium:

<https://www.youtube.com/watch?v=XPk8G9siMD4>

Internal Management

Business in the Community is committed to its own responsibilities to society and the environment. As an organisation it aims to run sustainable events and reduce energy emissions from premises and transport, resource-use, waste management and recycling.

With all purchasing decisions Business in the Community considers supporting enterprise growth and economic diversity within communities. In addition the organisation support suppliers in providing healthy, safe and inclusive workplaces. By considering the impact of our supply chain and of individual purchasing decisions on the environment, Business in the Community encourages suppliers to adopt responsible marketplace practices.

Business in the Community lives by its *Values and Leadership Bedrock* and is passionate about Wellbeing and Learning and Development. There are a wide range of policies to support this agenda including:

- [Employee Code of Conduct](#)
- Equality and Diversity
- Grievances and Whistleblowing
- Flexible working
- Bullying and Harassment
- Check all options

Business in the Community has been awarded a "Very Good" accreditation from Best Companies, the employee engagement specialists, and secured themselves a place on the Top 100 Best Companies to Work.

¹⁰ Downward mobility, opportunity hoarding and the 'glass floor' Social Mobility and Child Poverty Commission, June 2015

¹¹ Destiny should not be determined by demography, Business in the Community, November 2015

- Over 80% of employees believe that Business in the Community is run on strong values/principles.
- There is a clear sense of engagement around Business in the Community's mission and service delivery, with 92% of staff saying they believe the organisation makes a positive difference to the world we live in and 75% agreeing that we provide a great service to our customers and clients.
- 80% of managers agreed with the statement "I am confident that we're all working together to achieve common goals" while 86% report enjoying working with other managers in their team.
- Over 80% of staff say their job is good for their personal growth.

Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year:

- 500,000 employees were reached through Business in the Community's Ready to Talk campaign update report
- 60% increase in entries to the Times Top 50 Employers for Women and the Business in the Community Gender Awards since 2011
- More than 200 companies benchmarking workplace practices for gender, race, health and age.
- 1.8% increase in the number of Black Asian Minority Ethnic employees (BAME) in senior management in Business in the Community's benchmarking organisations compared to only 0.1% across the country as a whole (measured between 2012-2014)
- 81% of employees found that an inclusive leader improves performance and productivity according to Business in the Community's Inclusive Leadership report and toolkit.
- 24,457 responses were received to the largest survey on race at work ever to be undertaken in the UK
- 39 business people have been placed as school governors
- Over 100 schools have signed up to provide young people with inspirational careers advice and guidance
- 667 disadvantaged young unemployed people have participated in the Ready for Work programme
- 55 Employers with a combined workforce of 400,000 publically committed to 'Ban the Box' since October 2013
- 427 young people supported by Youth Career Initiative in 19 Countries including: Egypt, Ethiopia, Jordan, Zambia, India, Thailand, Australia, Puerto Rico, Dominican Republic, Romania and Poland
- Listed 64th in The Sunday Times' 100 Best Not for Profits Organisations to Work For, up 12 places from the 2015 listing.

Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

BUSINESS IN THE COMMUNITY

Healthy Ecosystems

Flourishing businesses and communities depend on healthy ecosystems for their wellbeing and very survival. Globally it is estimated that the services nature provides for free are worth between \$US125 trillion (tn) and \$US145 tn per year, based on 2011 data from the British Ecological Society¹². These life support services include, but are not limited to provision of food, fresh water and clean air, mitigating flood risk, processing waste and storing carbon, in both rural and urban environments. In total over the last 25 years it is estimated that these services have lost between \$US4tn and \$US20tn per year, with some suggesting that as many as 200 species become extinct every day.

Leading companies are looking at how they can value and take action to protect and regenerate the natural capital upon which they depend for current and future success. Business in the Community's Environment Programme supports companies to take practical action, individually and collaboratively, to understand the challenges and make tangible improvements on the ground.

During 2015, much of Business in the Community's work on the environment has focused on water. Launched in October 2013, the Water Taskforce has 17 members, including more than half of the UK's water companies, who are working together on a three-year action plan to manage water risks. They are developing market solutions to address some of the issues raised, with the emphasis on water stewardship, innovation and resilience. Firms are learning how to adapt to a resource-scarce future year action plan to manage water risks.

"By working alone we can make some progress. But water-related issues are complex and some of the challenges we face cannot be tackled alone – the solutions require collaboration both within sectors and across them. By working together with BITC, we have the opportunity to create a step change. Water is a shared resource – so it makes sense to share solutions."

Steve Mogford, CEO of United Utilities.

See the report [Smart Water a prosperous future for the food and drink supply chain](#) for Business in the Community's work in this area.

¹² <http://www.britishecologicalsociety.org/blog/2014/06/04/ecosystem-services-changes-in-global-value/>

Hotel Carbon Measurement Initiative

In 2012, Business in the Community's International Tourism Partnership (ITP), launched the Hotel Carbon Measurement Initiative (HCMI), a universally recognised methodology that allows hotels of any size to calculate and communicate the carbon footprint of hotel stays and meetings in a consistent and transparent way.

This huge achievement was the result of 18 months' work by a working group, convened by ITP and the World Travel & Tourism Council (WTTC), and with the active involvement of 23 leading global hotel companies. It is free for anyone to download and begin to measure and reduce their own carbon footprint. Globally, more than 24,000 hotels are doing just that. At the time of launch HCMI was described as "a fantastic example of the world's largest hotels putting their competitive differences to one side to work together in the interests of the industry overall".

The HCMI represents an industry's response to a recognised need to align. More information about this is available on [ITP's website](#).

"The Hotel Carbon Measurement Initiative (HCMI) was developed through a collaboration between the ITP and many leading hotel companies. Launched in 2012, it provides a standardised way for hotels to measure and report on their carbon emissions and has encouraged the industry to increase its focus on reducing its environmental impact and sharing progress with key stakeholders. We hit the milestone of 24,000 individual hotels, across some 90 countries, using HCMI in 2015."

George Turner, Executive Vice President, General Counsel and Company Secretary, InterContinental Hotels Group

Hotel Footprinting Tool

In 2015 ITP worked with Greenview to launch the Hotel Footprinting Tool. This free online resource allows hotels for the first time to compare and benchmark their carbon outputs with the average for their locality.

Using data from the annual Cornell Hotel Sustainability Benchmarking Study, it's now far easier for hotels to compare their own carbon footprint to industry averages in their region.

The tool also helps businesses to report on the carbon footprint of their hotel stays and meetings. Previously businesses seeking to do this would have to use broad industry averages or contact individual hotels for data. The footprint report function enables businesses and event organisers to create and download reports for their scope 3 business travel emissions, or to offset those emissions. Anyone can visit the tool online and see what the average is for hotel carbon footprints in their neighbourhood or at the destination of their vacation.

"Implementing the HCMI tool across our hotel portfolio has supported and enabled our managers to share best practice and to understand their sites carbon footprint per guest and meeting room sold. Our managers now look for innovative ways to cut costs on utilities as well as practical approaches to educate and create awareness for our 40,000 team members who work with us and the 20 million customers who visit us every month. "

Chris George, Head of Energy & Environment, Whitbread Hotels & Restaurants Group PLC

Water Risk

A stakeholder engagement survey in 2014 revealed water as one of the top two concerns external stakeholders felt hotels should be addressing as a matter of urgency. Following the success of HCMI, 18

BUSINESS IN THE COMMUNITY

global hotel groups are now collaborating in an ITP Working Group to design and test the HWMI, Hotel Water Measurement Initiative, to create a universally recognised and standardised metric and tool for hotels to measure water consumption. HWMI is currently undergoing testing and will launch in World Water Week, August 2016.

Smart Growth

As economies across the world expand and demand for resource intensive products and services grows, this creates ever-increasing pressure on and competition for the raw materials and commodities we need to support our modern lifestyles.

Business as usual is neither economically nor environmentally sustainable. So leading companies are looking at how they can secure long term, sustainable sources of the raw materials they need. Even more fundamentally, they are re-examining their approach to delivering products and services in a way that will reduce the impact of resource competition and scarcity on their business. This is allowing them to take a lead at tapping into €250-500 billion opportunity that's expected to be available by 2025.

Business in the Community has created a series of research papers and toolkits to support business to take advantage of this opportunity. [Fortune Favours the Brave](#), [Sustainable Business Toolkit](#) and [Smart Growth in the Circular Economy](#) are two of the most significant pieces to be published.

Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year:

- Supported retailers to distribute 200,000 fat traps and fat funnels to prevent sewer blockages from households pouring fat down the drain.
- 24,000 hotels worldwide are using the Hotel Carbon Measurement Initiative tool developed by the International Tourism Partnership
- Almost 2,000 visits to the Hotel Footprinting Tool site since October 2015 from people searching the carbon footprint of their hotel.
- Three 'Seeing is Believing' visits have been hosted by member companies attended by approximately 50 delegates, including visits to farms, factories and water treatment centres.
- Around 50 business and other stakeholders attended focus groups to develop the water stewardship 'framework', and providing important contributions in expertise and experience.
- The launch of 'Smart Water' involved over 100 businesses and other organisations.

Sustainable Business Models

Addressing the need for business to evolve in a resource constrained world Business in the Community's work on Sustainable Business Models has brought together business leaders and practitioners to discuss the evolution of business models to have more positive environmental and societal impacts. We have researched, produced and launched a report on ' [What is the Size of the Prize? Building resilient supply chains fit for the future](#),' which contains facts figures and case studies to help demonstrate and build the business case for developing sustainable supply chains. This has included working with Unilever and others to develop a framework, '10 Steps Towards a Sustainable Business Model,' to support the innovation of business models. This has and will be further supported by a series of events and webinars on the subject.

"The whole session was very informative and eye-opening. The point that the greatest impact of [a product is] the end-users' behaviour on the entire value-chain was especially surprising. We need to make it easy for the end-users of the products and services to consume."

Business attendee to 'Mainstreaming Sustainability into your Business Model' event

Mainstreaming Sustainability into your Business Model

In March 2016 Business in the Community held an event to launch the '10 Steps Towards a Sustainable Business Model,' framework. This event launched the steps to almost 80 business leaders and practitioners giving businesses the opportunity to feed into the 10 Steps, talk about their successes and challenges in each Step and also about ways in which they could use them within their own business model. Members were encouraged to invite their suppliers to start a conversation that went down the supply chain. This event also launched a series of short films made by the International Leadership Team speaking about their experiences of developing sustainable business models, some of the lessons that they have learnt and challenges they have overcome.

Business Unusual

In May 2016 Business in the Community hosted a conference called *Business Unusual* looking at how business can innovate in a resource constrained world which is increasingly competitive. This was the forth in a series of annual conferences, in which Chris Harrop, Director of Marketing at Marshalls Plc and Chair of the UN Global Network UK has been engaged. In 2016 the event showcased examples of companies that have innovated their business model including a clothing company who lease customers clothes rather than selling them, an company designing electric cars who have open sourced their designs and technical knowledge. Previous events have all focused on strategic business sustainability and the impacts of business on the environment.

The Business Unusual conferences enables delegates to learn from a range of speakers, have the opportunity to bring new thinking to life through interactive sessions and discussions, and the opportunity to look for innovation opportunities in their own organisations.

UN Sustainable Development Goals

Having been active in bringing business attention to and action on the UN Millennium Development Goals Business in the Community ran business consultations to support the development of the new SDGs framework and fed into the UN High Level Panel.

In preparation for the launch of the Sustainable Development Goals (SDGs), Business in the Community ran a webinar on the SDGs to raise awareness and understanding of the Goals. This was run in partnership the UN Global Compact Network UK, and the World Business Council for Sustainable Development (WBCSD). This webinar supported business practitioners to understand the Goals and the impacts that the SDGs can have on business and equipping them with access to resources to help them make change

BUSINESS IN THE COMMUNITY

within their organisations and introduced the audience to the Sustainable Development Goals Compass. Business in the Community has also co-hosted and spoke together with the WBCSD and the Global Reporting Initiative at the European Summit 2020 to further promote the importance of this agenda.

Embedding the SDGs into Business: Practical Insights and Tools for Success

A further event was held with The UN Global Compact Network UK, Business Fights Poverty, the Fairtrade Foundation and the Partnering Initiative to look at positive examples of how business has integrated the principles of the UN Millennium Development Goals into their business models. This event was an opportunity for businesses to explore the opportunities for business to support the SDGs. This event was also supported by the Department for International Development.

These events have resulted in greater awareness of the SDGs, examples of how companies can get involved, examples of best practice and knowledge sharing with global leaders.

Anti-Corruption

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

In 2013, working with the Institute of Leadership & Management (ILM), Business in the Community undertook some research and produced a report in June on the importance of Ethical Leadership. Over 1,100 amongst practicing managers and business leaders participated,

- Three fifths (63%) of managers reported that they had been expected to behave unethically at some point in their career.
- 9% of managers had been asked to break the law at work.
- One in 10 had left their jobs as a result of being asked to do something at work that made them feel uncomfortable.
- Over a quarter (27%) were concerned they would be negatively affected if they were to report an ethical breach
- 77% of managers believe that public expectations on business ethics have risen.

The report, *Added values: The importance of ethical leadership*, found that 9% of managers have been asked to break the law at work at some point in their career, while one in 10 have left their jobs as a result of being asked to do something that made them feel uncomfortable. This is in spite of 77% of managers believing that, since 2008, the general public's expectations of UK organisations' ethical behaviour have risen. In the survey of over 1,100 managers across the public and private sectors, 83% said their organisation had a values statement but over two fifths (43%) had been pressured to behave in direct violation of it, with 12% of managers saying that the correlation between employee behaviour and company values was not close 'at all' in their workplace.

The issue of responsible leadership is a key theme that runs throughout Business in the communities work.

Internal Management

Business in the Community's primary impact on anti-corruption is through its employees and the relationships it holds with Members and suppliers.

Business in the Community is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas. The organisation will not tolerate any form of bribery by, or of, its employees, workers, agents or consultants or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate bribery. All employees, contractors and anyone acting on behalf of Business in the Community agree to abide by the Business in the Community Bribery and Anti-Fraud Policy as part of their employment with the organisation.

If employees suspect malpractice or misconduct they are invited to raise a concern and have the option of doing so anonymously. There are both internal and external points of contact that employees are able to go to in order to raise their concern.

“Business ethics have come under increased public scrutiny in recent years, but our research highlights just how many people are still facing ethical conflicts at work. “As well as damaging a company’s reputation, we see that ethical failings can have a negative impact on employee happiness, loyalty and trust in their organisation. “Not all ethical decisions will be black and white, but an explicit and consistent set of values which are embedded within the organisation and reflected across all of its actions – from strategic decisions down to day-to-day activities – will lay the foundations for ethical behaviour. Leaders and managers, including those at more junior levels, have a crucial role to play in communicating their organisation’s values and should be given the support they need to enable cultural change.”

Charles Elvin, Chief Executive, Institute of Leadership & Management

Call to Action

Business in the Community continues in its mission to build a fairer society and a more sustainable future. Business in the Community reaffirms our support of the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents and we invite you to join the movement.

For more information about Business in the Community see <http://www.bitc.org.uk/>

Contact us at +44 (0)20 7566 8650 or information@bitc.org.uk or @BITC